



QUARTERLY STATEMENT
AS OF September 30, 2010
OF THE CONDITION AND AFFAIRS OF THE
Paramount Care of Michigan

NAIC Group Code	1212 (Current Period)	1212 (Prior Period)	NAIC Company Code	95566	Employer's ID Number	38-3200310
Organized under the Laws of			State of Domicile or Port of Entry	Michigan		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X] N/A[]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]	
Incorporated/Organized	12/16/1993		Commenced Business	06/07/1996		
Statutory Home Office	106 Park Place (Street and Number)		Dundee, MI 48131 (City, or Town, State and Zip Code)			
Main Administrative Office			106 Park Place (Street and Number)			
	Dundee, MI 48131 (City or Town, State and Zip Code)		(734)529-7800 (Area Code) (Telephone Number)			
Mail Address	106 Park Place (Street and Number or P.O. Box)		Dundee, MI 48131 (City, or Town, State and Zip Code)			
Primary Location of Books and Records			1901 Indian Wood Circle (Street and Number)			
	Maumee, OH 43537 (City, or Town, State and Zip Code)		(419)887-2500 (Area Code) (Telephone Number)			
Internet Web Site Address	www.paramounthealthcare.com					
Statutory Statement Contact	Mary Kathereen Siefke, Mrs. (Name)		(419)887-2909 (Area Code)(Telephone Number)(Extension)			
	mary.siefke@promedica.org (E-Mail Address)		(419)887-2020 (Fax Number)			

OFFICERS

Name	Title
John Charles Randolph Mr.	Chairman
John Charles Randolph Mr.	President
Kathleen Sheline Hanley Mrs.	Treasurer
Jeffrey Craig Kuhn Mr.	Secretary

OTHERS

John David Meier M.D.
Mark Henry Moser Mr.

Jeffrey William Martin Mr.

DIRECTORS OR TRUSTEES

Thomas Mark Sexton Mr.
John Charles Randolph Mr.
Richard Arthur Wasserman Mr.

Thomas Philip Cox M.D.
Kent Edward Bishop Dr.

State of _____
County of _____ ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
John Charles Randolph, Mr.	Jeffrey William Martin, Mr.	Jeffrey Craig Kuhn, Mr.
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President	Vice President, Operations & Finance	Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me this _____ day of _____, 2010

a. Is this an original filing? Yes[X] No[]

b. If no, 1. State the amendment number _____

2. Date filed _____

3. Number of pages attached _____

(Notary Public Signature)

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31, Prior Year Net Admitted Assets
1.	Bonds				
2.	Stocks:				
2.1	Preferred stocks				
2.2	Common stocks				
3.	Mortgage loans on real estate:				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....5,531,967), cash equivalents (\$.....0) and short-term investments (\$.....9,471,183)	15,003,150		15,003,150	14,064,065
6.	Contract loans (including \$.....0 premium notes)				
7.	Derivatives				
8.	Other invested assets				
9.	Receivables for securities				
10.	Aggregate write-ins for invested assets				
11.	Subtotals, cash and invested assets (Lines 1 to 10)	15,003,150		15,003,150	14,064,065
12.	Title plants less \$.....0 charged off (for Title insurers only)				
13.	Investment income due and accrued	1		1	699
14.	Premiums and considerations:				
14.1	Uncollected premiums and agents' balances in the course of collection	85,603	8,719	76,884	97,356
14.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)				
14.3	Accrued retrospective premiums				
15.	Reinsurance:				
15.1	Amounts recoverable from reinsurers				
15.2	Funds held by or deposited with reinsured companies				
15.3	Other amounts receivable under reinsurance contracts				
16.	Amounts receivable relating to uninsured plans				30,677
17.1	Current federal and foreign income tax recoverable and interest thereon				
17.2	Net deferred tax asset	152,484		152,484	84,338
18.	Guaranty funds receivable or on deposit				
19.	Electronic data processing equipment and software				
20.	Furniture and equipment, including health care delivery assets (\$.....0)				
21.	Net adjustments in assets and liabilities due to foreign exchange rates				
22.	Receivables from parent, subsidiaries and affiliates	124,083	78,141	45,942	107,703
23.	Health care (\$.....77,182) and other amounts receivable	105,825	28,643	77,182	88,220
24.	Aggregate write-ins for other than invested assets	1,500	1,500		
25.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 11 to 24)	15,472,646	117,003	15,355,643	14,473,058
26.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
27.	Total (Lines 25 and 26)	15,472,646	117,003	15,355,643	14,473,058
DETAILS OF WRITE-INS					
1001.	.....			
1002.	.....			
1003.	.....			
1098.	Summary of remaining write-ins for Line 10 from overflow page				
1099.	TOTALS (Lines 1001 through 1003 plus 1098) (Line 10 above)				
2401.	Prepaid rent	1,500	1,500		
2402.	.....			
2403.	.....			
2498.	Summary of remaining write-ins for Line 24 from overflow page				
2499.	TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above)	1,500	1,500		

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded)	3,421,190		3,421,190	2,837,718
2.	Accrued medical incentive pool and bonus amounts				
3.	Unpaid claims adjustment expenses	73,000		73,000	116,000
4.	Aggregate health policy reserves	143,907		143,907	142,634
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	430,176		430,176	520,277
9.	General expenses due or accrued	361,906		361,906	89,918
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses))	193,291		193,291	216,408
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates	546		546	2,058
16.	Derivatives				
17.	Payable for securities				
18.	Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers)				
19.	Reinsurance in unauthorized companies				
20.	Net adjustments in assets and liabilities due to foreign exchange rates				
21.	Liability for amounts held under uninsured plans	65,185		65,185	
22.	Aggregate write-ins for other liabilities (including \$.....0 current)				
23.	Total liabilities (Lines 1 to 22)	4,689,201		4,689,201	3,925,013
24.	Aggregate write-ins for special surplus funds	X X X	X X X		
25.	Common capital stock	X X X	X X X	10,000	10,000
26.	Preferred capital stock	X X X	X X X		
27.	Gross paid in and contributed surplus	X X X	X X X	9,990,000	9,990,000
28.	Surplus notes	X X X	X X X		
29.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
30.	Unassigned funds (surplus)	X X X	X X X	666,442	548,045
31.	Less treasury stock, at cost:				
31.1	.....0 shares common (value included in Line 25 \$.....0)	X X X	X X X		
31.2	.....0 shares preferred (value included in Line 26 \$.....0)	X X X	X X X		
32.	Total capital and surplus (Lines 24 to 30 minus Line 31)	X X X	X X X	10,666,442	10,548,045
33.	Total Liabilities, capital and surplus (Lines 23 and 32)	X X X	X X X	15,355,643	14,473,058
DETAILS OF WRITE-INS					
2201.	.....			
2202.	.....			
2203.	.....			
2298.	Summary of remaining write-ins for Line 22 from overflow page				
2299.	TOTALS (Lines 2201 through 2203 plus 2298) (Line 22 above)				
2401.	.....	X X X	X X X		
2402.	.....	X X X	X X X		
2403.	.....	X X X	X X X		
2498.	Summary of remaining write-ins for Line 24 from overflow page	X X X	X X X		
2499.	TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above)	X X X	X X X		
2901.	.....	X X X	X X X		
2902.	.....	X X X	X X X		
2903.	.....	X X X	X X X		
2998.	Summary of remaining write-ins for Line 29 from overflow page	X X X	X X X		
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months	X X X	50,408	56,348	74,503
2.	Net premium income (including \$.....0 non-health premium income)	X X X	24,664,549	25,757,511	33,916,216
3.	Change in unearned premium reserves and reserves for rate credits	X X X			
4.	Fee-for-service (net of \$.....0 medical expenses)	X X X			
5.	Risk revenue	X X X			
6.	Aggregate write-ins for other health care related revenues	X X X			
7.	Aggregate write-ins for other non-health revenues	X X X			
8.	Total revenues (Lines 2 to 7)	X X X	24,664,549	25,757,511	33,916,216
Hospital and Medical:					
9.	Hospital/medical benefits		18,194,371	18,477,885	24,483,210
10.	Other professional services		155,023	172,450	243,316
11.	Outside referrals				
12.	Emergency room and out-of-area		1,216,998	1,401,786	1,888,180
13.	Prescription drugs		3,081,910	3,408,535	4,500,346
14.	Aggregate write-ins for other hospital and medical				
15.	Incentive pool, withhold adjustments and bonus amounts				
16.	Subtotal (Lines 9 to 15)		22,648,302	23,460,656	31,115,052
Less:					
17.	Net reinsurance recoveries		345	16,875	16,875
18.	Total hospital and medical (Lines 16 minus 17)		22,647,957	23,443,781	31,098,177
19.	Non-health claims (net)				
20.	Claims adjustment expenses, including \$.....122,498 cost containment expenses		170,565	212,192	207,350
21.	General administrative expenses		1,466,755	1,520,865	2,000,982
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)				
23.	Total underwriting deductions (Lines 18 through 22)		24,285,277	25,176,838	33,306,509
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	379,272	580,673	609,707
25.	Net investment income earned		(225)	27,168	29,811
26.	Net realized capital gains (losses) less capital gains tax of \$.....0				
27.	Net investment gains or (losses) (Lines 25 plus 26)		(225)	27,168	29,811
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]				
29.	Aggregate write-ins for other income or expenses				
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	379,047	607,841	639,518
31.	Federal and foreign income taxes incurred	X X X	294,186	196,534	149,057
32.	Net income (loss) (Lines 30 minus 31)	X X X	84,861	411,307	490,461
DETAILS OF WRITE-INS					
0601.	.....	X X X			
0602.	.....	X X X			
0603.	.....	X X X			
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X			
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X			
0701.	.....	X X X			
0702.	.....	X X X			
0703.	.....	X X X			
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X			
1401.	.....			
1402.	.....			
1403.	.....			
1498.	Summary of remaining write-ins for Line 14 from overflow page				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)				
2901.	.....			
2902.	.....			
2903.	.....			
2998.	Summary of remaining write-ins for Line 29 from overflow page				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)				

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT				
33.	Capital and surplus prior reporting year	10,548,045	10,119,234	10,119,234
34.	Net income or (loss) from Line 32	84,861	411,307	490,461
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0			
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax	68,146	(16,210)	(100,303)
39.	Change in nonadmitted assets	(34,610)	13,187	(26,347)
40.	Change in unauthorized reinsurance			
41.	Change in treasury stock			
42.	Change in surplus notes			
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
44.1	Paid in			
44.2	Transferred from surplus (Stock Dividend)			
44.3	Transferred to surplus			
45.	Surplus adjustments:			
45.1	Paid in			
45.2	Transferred to capital (Stock Dividend)			
45.3	Transferred from capital			
46.	Dividends to stockholders			
47.	Aggregate write-ins for gains or (losses) in surplus		65,000	65,000
48.	Net change in capital and surplus (Lines 34 to 47)	118,397	473,284	428,811
49.	Capital and surplus end of reporting period (Line 33 plus 48)	10,666,442	10,592,518	10,548,045
DETAILS OF WRITE-INS				
4701.	Audit adjustment		65,000	65,000
4702.	.....		
4703.	.....		
4798.	Summary of remaining write-ins for Line 47 from overflow page			
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)		65,000	65,000

CASH FLOW

		1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations				
1.	Premiums collected net of reinsurance	24,640,599	25,527,081	33,968,764
2.	Net investment income	473	35,656	38,958
3.	Miscellaneous income			
4.	Total (Lines 1 to 3)	24,641,072	25,562,737	34,007,722
5.	Benefit and loss related payments	22,054,322	23,463,470	31,939,607
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	1,312,470	1,838,612	2,383,539
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)	317,303	711,641	711,639
10.	Total (Lines 5 through 9)	23,684,095	26,013,723	35,034,785
11.	Net cash from operations (Line 4 minus Line 10)	956,977	(450,986)	(1,027,063)
Cash from Investments				
12.	Proceeds from investments sold, matured or repaid:			
12.1	Bonds			
12.2	Stocks	9,436,232		
12.3	Mortgage loans			
12.4	Real estate			
12.5	Other invested assets			
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7	Miscellaneous proceeds			
12.8	Total investment proceeds (Lines 12.1 to 12.7)	9,436,232		
13.	Cost of investments acquired (long-term only):			
13.1	Bonds			
13.2	Stocks	9,436,232		
13.3	Mortgage loans			
13.4	Real estate			
13.5	Other invested assets			
13.6	Miscellaneous applications			
13.7	Total investments acquired (Lines 13.1 to 13.6)	9,436,232		
14.	Net increase (or decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14)			
Cash from Financing and Miscellaneous Sources				
16.	Cash provided (applied):			
16.1	Surplus notes, capital notes			
16.2	Capital and paid in surplus, less treasury stock			
16.3	Borrowed funds			
16.4	Net deposits on deposit-type contracts and other insurance liabilities			
16.5	Dividends to stockholders			
16.6	Other cash provided (applied)	(17,892)	508,767	398,278
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(17,892)	508,767	398,278
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS				
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	939,085	57,781	(628,785)
19.	Cash, cash equivalents and short-term investments:			
19.1	Beginning of year	14,064,065	14,692,850	14,692,850
19.2	End of period (Line 18 plus Line 19.1)	15,003,150	14,750,631	14,064,065
Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:				
20.0001				

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	6,019	5	4,810					1,204		
2. First Quarter	5,763	6	4,376					1,381		
3. Second Quarter	5,470	7	4,072					1,391		
4. Third Quarter	5,348	9	3,952					1,387		
5. Current Year										
6. Current Year Member Months	50,408	64	37,878					12,466		
Total Member Ambulatory Encounters for Period:										
7. Physician	1,533	2	894					637		
8. Non-Physician	4,652	5	2,926					1,721		
9. Total	6,185	7	3,820					2,358		
10. Hospital Patient Days Incurred	4,144	2	1,154					2,988		
11. Number of Inpatient Admissions	617		289					328		
12. Health Premiums Written (a)	24,830,965	29,530	14,129,129					10,672,306		
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	24,830,965	29,530	14,129,129					10,672,306		
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	22,054,667	18,870	12,392,528					9,643,269		
18. Amount Incurred for Provision of Health Care Services	22,648,302	18,870	12,408,459					10,220,973		

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....9,519,472.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
0199999 Individually Listed Claims Unpaid						
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered	700,368	324,658	23,380	14,551	7,254	1,070,211
0499999 Subtotals	700,368	324,658	23,380	14,551	7,254	1,070,211
0599999 Unreported claims and other claim reserves						2,350,979
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						3,421,190
0899999 Accrued Medical Incentive Pool And Bonus Amounts						

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5	6
		1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec.31 of Prior Year
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec.31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical)	1,342,773	11,068,280	44,380	1,537,702	1,387,153	1,580,973
2.	Medicare Supplement						
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare	691,077	8,952,192	14,664	1,824,444	705,741	1,256,745
7.	Title XIX - Medicaid						
8.	Other health						
9.	Health subtotal (Lines 1 to 8)	2,033,850	20,020,472	59,044	3,362,146	2,092,894	2,837,718
10.	Healthcare receivables (a)		105,825				115,988
11.	Other non-health						
12.	Medical incentive pools and bonus amounts						
13.	Totals	2,033,850	19,914,647	59,044	3,362,146	2,092,894	2,721,730

(a) Excludes \$.00 loans or advances to providers not yet expensed.

Notes to Financial Statement

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Paramount Care of Michigan (the “Company”) are presented on a basis of accounting practices prescribed by the Michigan Department of Consumer and Industry Services, Office of Financial and Insurance Services.

The Michigan Department of Consumer and Industry Services, Office of Financial and Insurance Services recognizes only statutory accounting practices prescribed by the State of Michigan for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Michigan Insurance Law. The National Association of Insurance Commissioners’ (NAIC) Accounting Practices and Procedures Manual, (NAIC SAP) has been adopted as a component of prescribed practices by the State of Michigan.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policies

Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts. Expenses incurred in connections with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

In addition, the company uses the following accounting policies:

1. Short-term investments are stated at amortized cost.
2. Bonds are stated at amortized cost.
3. Common stock investments are stated at fair market value.
4. The Company has no preferred stock investments.
5. The Company does not invest in mortgage loans.
6. The Company has no investments in loan-backed securities.
7. The Company has no investments in subsidiaries.
8. The Company has no investments in joint ventures.
9. The Company does not invest in derivatives.
10. The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 54, Individual and Group Accident and Health Contracts.
11. Unpaid losses and loss adjustment expenses include an amount from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.
12. The Company’s capitalization policy is those qualifying expenses over \$1,000.
13. The Company estimates its pharmaceutical rebate receivables based on historical recoveries per script and the number of scripts written.

Notes to Financial Statement

- 2. Accounting Changes and Corrections of Errors

-NOT APPLICABLE

- 3. Business Combinations and Goodwill

-NOT APPLICABLE

- 4. Discontinued Operations

-NOT APPLICABLE

- 5. Investments

No significant change.

- 6. Joint ventures, Partnerships and Limited Liability Companies

-NOT APPLICABLE.

- 7. Investment Income

No significant change.

- 8. Derivative Instruments

-NOT APPLICABLE

- 9. Income Taxes

No significant change.

- 10. Information Concerning Parent, Subsidiaries and Affiliates

No significant change.

- 11. Debt

-NOT APPLICABLE

- 12. Retirement Plans, Deferred Compensation, Postemployment Benefits

No significant change

- 13. Capital and Surplus, Shareholders’ Dividend Restrictions and Quasi-Reorganizations

No significant change.

- 14. Contingencies

-NOT APPLICABLE.

- 15. Leases

-NOT APPLICABLE

- 16. Off-Balance Sheet Risk

-NOT APPLICABLE

- 17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Notes to Financial Statement

-NOT APPLICABLE

18. Gain or loss to the Reporting Entity from Uninsured A&H Plans and the uninsured Portion of partially Insured Plans

-NOT APPLICABLE

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators.

-NOT APPLICABLE

20. Other Items
- No significant change.

21. Subsequent Events
- No significant change.

22. Reinsurance
- No significant change.

23. Retrospectively Rated Contracts

-NOT APPLICABLE

24. Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2009 were \$2,953,718. As of September 30, 2010, \$2,046,382 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$59,044 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on Commercial and Medicare lines of insurance. Therefore, there has been an \$848,292 favorable prior-year development since December 31, 2009 to September 30, 2010. The decrease is generally a result of ongoing analysis of recent development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

25. Intercompany Pooling Arrangements

-NOT APPLICABLE

26. Structured Settlements

-NOT APPLICABLE

27. Health Care Receivables
- No significant change.

28. Participating Policies
- NOT APPLICABLE**

29. Premium Deficiency Reserves
- No significant change.

30. Anticipated Salvage and Subrogation

Notes to Financial Statement

-NOT APPLICABLE

31. Organization and Operation

No significant change.

32. Minimum Net Worth

No significant change.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[X] No[]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[X] No[] N/A[]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[X] No[]
- 2.2 If yes, date of change:

02/26/2010
3. Have there been any substantial changes in the organizational chart since the prior quarter end?
If yes, complete the Schedule Y - Part 1 - organizational chart.

Yes[] No[X]
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?
If yes, attach an explanation.

Yes[] No[X] N/A[]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2007
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2007
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

10/21/2008
- 6.4 By what department or departments?
OFIR
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[X] No[] N/A[]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
		Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes[X] No[]
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[X] No[]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$ 0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$ 0
13. Amount of real estate and mortgages held in short-term investments:

\$ 0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[] No[X]

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock		
14.23 Common Stock		
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)		
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?
15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes[] No[X]
Yes[] No[] N/A[X]

16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?
16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[X] No[]

1 Name of Custodian(s)	2 Custodian Address
The Bank of New York Mellon	Three Mellon Center, Suite 153-3925, Pittsburg, PA ..

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?
16.4 If yes, give full and complete information relating thereto:

Yes[] No[X]

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
.....

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?
17.2 If no, list exceptions:

Yes[X] No[]

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:	
1.1 A&H loss percent	92%
1.2 A&H cost containment percent	0%
1.3 A&H expense percent excluding cost containment expenses	6%
2.1 Do you act as a custodian for health savings accounts?	Yes[] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$..... 0
2.3 Do you act as an administrator for health savings accounts?	Yes[] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$..... 0

SCHEDULE S - CEDED REINSURANCE
Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Location	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
Accident and Health - Non-affiliates						
93440	06-1041332	01/01/2010	HM LIFE INS CO	PA	SSL/A/I	Yes[X] No[]
93440	06-1041332	01/01/2010	HM LIFE INS CO	PA	SSL/A/G	Yes[X] No[]
39845	48-0921045	01/01/2010	WESTPORT INS CORP	KS	SSL/A/I	Yes[X] No[]
39845	48-0921045	01/01/2010	WESTPORT INS CORP	KS	SSL/A/G	Yes[X] No[]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS
Current Year to Date - Allocated by States and Territories

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL)	N								
2.	Alaska (AK)	N								
3.	Arizona (AZ)	N								
4.	Arkansas (AR)	N								
5.	California (CA)	N								
6.	Colorado (CO)	N								
7.	Connecticut (CT)	N								
8.	Delaware (DE)	N								
9.	District of Columbia (DC)	N								
10.	Florida (FL)	N								
11.	Georgia (GA)	N								
12.	Hawaii (HI)	N								
13.	Idaho (ID)	N								
14.	Illinois (IL)	N								
15.	Indiana (IN)	N								
16.	Iowa (IA)	N								
17.	Kansas (KS)	N								
18.	Kentucky (KY)	N								
19.	Louisiana (LA)	N								
20.	Maine (ME)	N								
21.	Maryland (MD)	N								
22.	Massachusetts (MA)	N								
23.	Michigan (MI)	L	14,158,659	10,672,306					24,830,965	
24.	Minnesota (MN)	N								
25.	Mississippi (MS)	N								
26.	Missouri (MO)	N								
27.	Montana (MT)	N								
28.	Nebraska (NE)	N								
29.	Nevada (NV)	N								
30.	New Hampshire (NH)	N								
31.	New Jersey (NJ)	N								
32.	New Mexico (NM)	N								
33.	New York (NY)	N								
34.	North Carolina (NC)	N								
35.	North Dakota (ND)	N								
36.	Ohio (OH)	N								
37.	Oklahoma (OK)	N								
38.	Oregon (OR)	N								
39.	Pennsylvania (PA)	N								
40.	Rhode Island (RI)	N								
41.	South Carolina (SC)	N								
42.	South Dakota (SD)	N								
43.	Tennessee (TN)	N								
44.	Texas (TX)	N								
45.	Utah (UT)	N								
46.	Vermont (VT)	N								
47.	Virginia (VA)	N								
48.	Washington (WA)	N								
49.	West Virginia (WV)	N								
50.	Wisconsin (WI)	N								
51.	Wyoming (WY)	N								
52.	American Samoa (AS)	N								
53.	Guam (GU)	N								
54.	Puerto Rico (PR)	N								
55.	U.S. Virgin Islands (VI)	N								
56.	Northern Mariana Islands (MP)	N								
57.	Canada (CN)	N								
58.	Aggregate other alien (OT)	X X X								
59.	Subtotal	X X X	14,158,659	10,672,306					24,830,965	
60.	Reporting entity contributions for Employee Benefit Plans	X X X								
61.	Total (Direct Business)	(a)..... 1	14,158,659	10,672,306					24,830,965	

DETAILS OF WRITE-INS

5801.	.....	X X X								
5802.	.....	X X X								
5803.	.....	X X X								
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X								

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

No significant changes noted.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

RESPONSE
No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



95566201036500003

2010

Document Code: 365

OVERFLOW PAGE FOR WRITE-INS

STATEMENT AS OF **September 30, 2010** OF THE **Paramount Care of Michigan**

SCHEDULE A - VERIFICATION

Real Estate		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Current year change in encumbrances		
4.	Total gain (loss) on disposals		
5.	Deduct amounts received on disposals		
6.	Total foreign exchange change in book/adjusted carrying value		
7.	Deduct current year's other than temporary impairment recognized		
8.	Deduct current year's depreciation		
9.	Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10.	Deduct total nonadmitted amounts		
11.	Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and mortgage interest points		
9.	Total foreign exchange change in book value/recorded investment		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12.	Total valuation allowance		
13.	Subtotal (Line 11 plus Line 12)		
14.	Deduct total nonadmitted amounts		
15.	Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year		
2.	Cost of bonds and stocks acquired	9,436,232	
3.	Accrual of discount		
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals		
6.	Deduct consideration for bonds and stocks disposed of	9,436,232	
7.	Deduct amortization of premium		
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)		

SCHEDULE D - PART 1B
Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	9,472,519		1,336		35,779	9,472,519	9,471,183	9,471,231
2. Class 2 (a)								
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	9,472,519		1,336		35,779	9,472,519	9,471,183	9,471,231
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	9,472,519		1,336		35,779	9,472,519	9,471,183	9,471,231

Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....9,471,183; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

SCHEDULE DA - PART 1

Short - Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	9,471,183	X X X	9,471,183	3,372	

SCHEDULE DA - Verification

Short-Term Investments

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	9,471,231	9,436,732
2.	Cost of short-term investments acquired	9,436,232	34,499
3.	Accrual of discount		
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals		
6.	Deduct consideration received on disposals	9,436,280	
7.	Deduct amortization of premium		
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	9,471,183	9,471,231
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	9,471,183	9,471,231

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05 Schedule DB Part C Section 1 NONE

SI06 Schedule DB Part C Section 2 NONE

SI07 Schedule DB - Verification NONE

SI08 Schedule E - Verification (Cash Equivalents) NONE

E01	Schedule A Part 2	NONE
E01	Schedule A Part 3	NONE
E02	Schedule B Part 2	NONE
E02	Schedule B Part 3	NONE
E03	Schedule BA Part 2	NONE
E03	Schedule BA Part 3	NONE
E04	Schedule D Part 3	NONE
E05	Schedule D Part 4	NONE
E06	Schedule DB Part A Section 1	NONE
E07	Schedule DB Part B Section 1	NONE
E08	Schedule DB Part D	NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month			9
							During Current Quarter			
							6	7	8	
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
open depositories										
Huntington Bank	Maumee, OH						2,422,340	2,753,794	4,531,302	X X X
Huntington Bank	Adrian, MI						1,000,000	1,000,000	1,000,000	X X X
Mellon Bank	Pittsburg, PA						647	708	665	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories			X X X	X X X						X X X
0199999 Totals - Open Depositories			X X X	X X X			3,422,987	3,754,502	5,531,967	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories			X X X	X X X						X X X
0299999 Totals - Suspended Depositories			X X X	X X X						X X X
0399999 Total Cash On Deposit			X X X	X X X			3,422,987	3,754,502	5,531,967	X X X
0499999 Cash in Company's Office			X X X	X X X	X X X	X X X				X X X
0599999 Total Cash			X X X	X X X			3,422,987	3,754,502	5,531,967	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
<div>NONE</div>							
8699999 Total - Cash Equivalents



MEDICARE PART D COVERAGE SUPPLEMENT
Net of Reinsurance
For the Quarter Ended September 30, 2010

NAIC Group Code: 1212

NAIC Company Code: 95566

		Individual Coverage		Group Coverage		5 Total Cash
		1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1.	Premiums Collected		X X X		X X X	
2.	Earned Premiums		X X X		X X X	X X X
3.	Claims Paid		X X X		X X X	
4.	Claims Incurred		X X X		X X X	X X X
5.	Reinsurance Coverage and Low Income Cost Sharing - Claims	NONE				
	Paid Net of Reimbursements Applied (a)			X X X		
6.	Aggregate Policy Reserves - change				X X X	X X X
7.	Expenses Paid				X X X	
8.	Expenses Incurred		X X X		X X X	X X X
9.	Underwriting Gain or Loss		X X X		X X X	X X X
10.	Cash Flow Results	X X X	X X X	X X X	X X X	

(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$.....0 due from CMS or \$.....0 due to CMS

**INDEX TO HEALTH
QUARTERLY STATEMENT**

Accounting Changes and Corrections of Errors; Q10, Note 2; Q11

Accounting Practices and Policies; Q5; Q10, Note 1

Admitted Assets; Q2

Bonds; Q2; Q6; Q11.1; Q11.2; QE04; QE05

Bonuses; Q3; Q4; Q8; Q9

Borrowed Funds; Q3; Q6

Business Combinations and Goodwill; Q10, Note 3

Capital Gains (Losses)

 Realized; Q4

 Unrealized; Q4; Q5

Capital Stock; Q3; Q10, Note 13

Capital Notes; Q6; Q10, Note 11

Caps; QE06

Cash; Q2; Q6; QE08

Cash Equivalents; Q2; Q6; QE09

Claims; Q3; Q4; Q8; Q9

Collars; QE07

Commissions; Q6

Common Stock; Q2; Q3; Q6; Q11.1; Q11.2

Cost Containment Expenses; Q4

Contingencies; Q10, Note 14

Counterparty Exposure; Q10, Note 8; QE06; QE07

Debt; Q10, Note 11

Deferred Compensation; Q10, Note 2

Derivative Instruments; Q10, Note 8; QSI04; QSI05; QE06; QE07

Discontinued Operations; Q10, Note 4

Electronic Data Processing Equipment; Q2

Encumbrances; Q2; QSI01; QE01

Emergency Room; Q4

Expenses; Q3; Q4; Q6

Extinguishment of Liabilities; Q10, Note 17

Extraordinary Item; Q10, Note 20

Fee for Service; Q4

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